

# Automated Commercial Environment – Requirements Recommendation

<b>Date:</b>	May 17, 2002
<b>Number:</b>	REV-012
<b>Requestor:</b>	TSN Revenue Committee
<b>Customs Co-Chair:</b>	Robert B. Hamilton
<b>Trade Co-Chair:</b>	James Phillips

## Requirement

The system will provide functionality equivalent to the current CF4811 that allows an importer to redirect Customs bills, refunds and notices of liquidation, singly or in any combination. Additionally, the system will provide for these changes to be defined, at the importer's discretion, with maximum flexibility, e.g.

- (a) If the importer employs more than one entry filer, it can employ this functionality to redirect the above mentioned items in any combination to the respective filer for the underlying entry transaction at the entry or summary level,
  - (b) It may elect to designate a single account to receive the items,
  - (c) It may select only specified entries or summaries for redirection, or
  - (d) It may set-up any logically consistent method for distribution of the items in question.
- The system will provide notice confirming each change to the parties involved.

\* The Revenue Committee suggests there are legal considerations to be further analyzed, with respect to bankruptcy concerns.

## Business Need

The loss of this capability, or requirement for continuation of the manual process will negatively impact the facility with which an importer can manage its customs business. The inclusion of this functionality will allow real time redirection of the subject items, until the moment that the item has been transmitted by Customs, notwithstanding the underlying customs transaction has been completed.

## Technical Need

The current Automated Commercial System lacks reliability and post entry effect, is labor intensive, slow and subject to inconsistent interpretations for the filer's authority at different customs field locations..

## Benefits

A real time capability for an importer to redirect bills, refunds and notices of liquidation, singly or in any combination will add options for importer account management by the owner and improve importer's ability to manage its customs business in a real time environment, even post hoc with respect to the underlying entry transactions.

## Risks

- 1. There is a risk that importers may fail to appreciate the degree of complexity that utilization of this feature can introduce into their account management, and that third parties, e.g. customs brokers, may rely in their business negotiations on an importer's agreement to redirect one or more of the above mentioned items.
- 2. The importer's ability to renege, in particular without advance notice, or if the party in

- reliance fails to take notice of the automated confirmation, could disadvantage that party.
3. This functionality may overlap other requirements, and must be rationalized in the system.

#### Related Subcommittees

Account

**Priority:**    **Critical** ☐                    **High** ☐                    **Medium** ☒                    **Low** ☐